

**INLAND TELEPHONE COMPANY**  
Corporate Offices

103 S. 2nd St.  
P.O. Box 171  
Roslyn, WA 98941

**INLAND  
TELEPHONE**

Telephone: (509) 649-2211  
Fax: (509) 649-3300

July 22, 2012

Received & Inspected

Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554

JUL 24 2012  
FCC Mail Room

With a delivery address of:  
9300 East Hampton Drive  
Capital Heights, MD 20743  
(202) 418-0300

Ms. Karen Majcher  
Vice President - High Cost and Low Income Division  
Universal Service Administrative Company  
2000 L Street, NW, Suite 200  
Washington, DC 20036  
(Electronically filed to [hccerts@usac.org](mailto:hccerts@usac.org))

**Re: WC Docket No. 10-90**

Dear Ms. Dortch,

Pursuant to WC Docket No. 10-90, Inland Telephone Company, SAC 522423, ("Company") is sending to the Federal Communications Commission and the Universal Service Administrative Company a copy of the filing it has made to the Washington Utilities and Transportation Commission for the 2012 ETC Certification – Request for Certification.

If you should have any questions or need further information, please call me at (509) 649-2211.

Sincerely,



James K. Brooks  
Treasurer/Controller

Enclosures

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Via electronic filing

Mr. David Danner, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive SW  
Olympia, WA 98504-7250

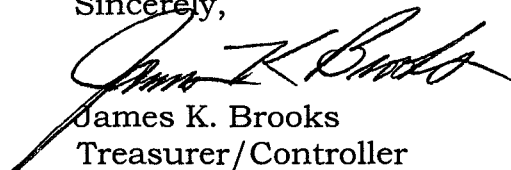
Re: **2012 ETC Certification** – Request for Certification Pursuant to  
WAC 480-123-060 and 47 C.F.R. §54.307, 54.313 and/or 54.314

Dear Mr. Danner:

Pursuant to WAC 480-123-060, Inland Telephone Company ("Company") hereby requests that the Washington Utilities and Transportation Commission certify to the Federal Communications Commission and the Universal Service Administrative Company that the Company has met the requirements of 47 C.F.R. §54.314 for eligibility for continued receipt of federal high-cost funds.

The certifications and reports that are specified in WAC 480-123-060, WAC 480-123-070 and WAC 480-123-080 are enclosed. If you should have any questions or need further information, please call me at (509) 649-2211.

Sincerely,



James K. Brooks  
Treasurer/Controller

Enclosures

CC: Federal Communications Commission (WC Docket No. 10-90)  
Universal Service Administrative Company (*electronically*)

**AFFIDAVIT CONTAINING CERTIFICATIONS  
PURSUANT TO WAC 480-123-060 AND WAC 480-123-070**

I, James K. Brooks, being of lawful age, state that I am Treasurer/Controller of Inland Telephone Company ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief. On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission") for use by the Commission in providing the certification to the Federal Communications Commission and Universal Service Administrative Company required by 47 C.F.R. §54.314, as follows:

(1) That all federal high-cost support provided to the Company within the State of Washington has been used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance and upgrading of the facilities and services for which the support is intended;

(2) That during the 2011 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);

(3) That during the 2011 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and

(4) That during the 2011 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service and in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 22<sup>nd</sup> day of July, 2012, at Roslyn, Washington.

Company: Inland Telephone Company

By: 

James K. Brooks

Its: Treasurer/Controller

**REPORTS AS REQUIRED BY WAC 480-123-070  
AND WAC 480-123-080**

Inland Telephone Company (the “Company”) hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.<sup>1</sup>

Report 1: WAC 480-123-070(1)(a): Attached is a copy of the Company’s NECA-1 Report for the collection period 2012 for the calendar year 2011, that, as of the date of the report, the Company is reporting to the National Exchange Carrier Association (“NECA”) and expects that it will be the basis for support from the federal high-cost fund.

Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses reported under Report 1, above, benefited customers as follows: Through the expenditure of these funds, the Company was able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C. § 254 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC.<sup>2</sup> The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to its customers in its designated ETC service area. Those expenditures and investments, including those reflected in Report 1 above, generally benefit all customers receiving the federal high-cost fund supported services from the Company within its designated ETC service area.

Report 3: WAC 480-123-070(2): Local service outage report: For the period January 1, through December 31, 2011, the Company reports that it experienced the following local service outages.

DEWATTO Exchange:

4/7/11 at 10:00 am – Subscriber carrier cabinet in the area of the exchange known as Tee Lake experienced a failure in card #3; 48 subscribers were without dial tone; carrier rebooted; service restored at approximately 11:30 am; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future.

4/22/11 at 2:00 pm – Subscriber carrier in central office experienced a failure in card #4; 48 subscribers were without dial tone; carrier rebooted; service restored at approximately 3:00 pm; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future.

4/27/11 at 5:30 pm – Subscriber carrier cabinet in the area of the exchange known as Ludvick experienced a failure in card #2; 36 subscribers were without dial tone; required new card and reboot; service restored at approximately 8:30 pm; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future.

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<sup>1</sup> It is the Company’s understanding that it is not required to submit the reports described in WAC 480-123-070(2) and (3).

<sup>2</sup> The term “ETC” is used in the same sense as the term is used in Chapter 480-123 WAC.

9/24/11 at 5:00 pm – Subscriber carrier cabinet in the area of the exchange known as Elfendahl experienced a failure in card #3; 48 subscribers were without dial tone; carrier rebooted; service restored at approximately 6:00 pm; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future.

PRESCOTT Exchange:

No outages to report

ROSLYN Exchange:

4/05/11 at 1:00 pm – Subscriber carrier card failure (Cot1 Card #6) in the central office; 48 subscribers were without dial tone; card replaced and carrier rebooted; service restored at approximately 2:30 pm; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future.

8/23/11 at 2:00 am – Fiber cut outside of exchange (Fairpoint or CenturyLink); approximately 1,025 subscribers were without long distance; was able to transfer 911 to alternative IP route; service restored at approximately 11:30 am; no steps can be taken to prevent a similar situation in the future since TDM long distance calls go through the CenturyLink tandem.

11/12/11 at 11:30 am - Subscriber carrier cabinet known as the Village Cabinet went down; Card #1, #2, and #12 failed; cause undetermined, believed to be power hit; 76 subscribers were without dial tone; carrier rebooted; service restored at approximately 12:30 pm; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future.

12/19/11 at 9:00 am - Subscriber carrier card failure (Cot2 Card #3) in the central office; 32 subscribers were without dial tone; carrier rebooted; service restored at approximately 10:00 am; card failures are unexpected and back-up cannot be provided; no steps can be taken to prevent a similar situation in the future

UNIONTOWN Exchange:

9/26/11 at 9:30 pm – Cable cut by outside party; approximately 20 customers were without service; service was restored at approximately 1:00 am on 9/27/11; no further steps can be taken to have people “Call Before You Dig”.

Report 4: WAC 480-123-070(4): The Company reports that during calendar year 2011, the Company did not receive from the Federal Communications Commission or the Consumer Protection Division of the Office of the Attorney General of the State of Washington any complaints against the Company concerning the services provided to its customers by the Company that are either subject to the regulatory jurisdiction of the Washington Utilities and Transportation Commission or among the services supported by the federal high-cost fund.<sup>3</sup>

Report 5: WAC 480-123-080(1)(b): The Company reports as follows: As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period October 1, 2012, through September 30, 2013, that the Company expects to use as a basis to request federal high-cost support are expected to be relatively similar to those investments and expenses the Company has set

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<sup>3</sup> The references to the services supported by the federal high-cost fund is to the services designated for support as set forth in 47 C.F.R. §54.101(a).

forth in its information filed under Report 1, above, taking into account normal fluctuations in investment and expense levels. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2011, subject to the effects of inflation and other commonly experienced changes in cost of labor and materials. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company's investment plans directly affecting federal high-cost supported services offered by it in its designated ETC service area may include major construction projects. The Company has received approval and release of funds (in 2012) from the Rural Utility Service ("RUS") on a loan, which would make major upgrades totaling approximately \$20,739,754. Those upgrades include (as estimated):

- Dewatto Exchange – Fiber to the node - \$1,744,000 (includes electronics)
  - Central Office Equipment upgrades - \$141,000
  - New storage warehouse/garage - \$304,000
  - New Microwave Tower for alternative path - \$333,000
- Prescott Exchange – Fiber to the node - \$1,393,000 (includes electronics)
  - Central Office Equipment upgrades - \$141,000
  - New storage warehouse/garage - \$244,000
- Roslyn Exchange – Fiber to the Premise - \$7,919,000 (includes electronics)
  - Central Office Equipment upgrades - \$141,000
  - New headquarters complex - \$5,573,000
- Uniontown Exchange – Fiber to the node - \$1,528,000 (includes electronics)
  - Central Office Equipment upgrades - \$141,000

With the changes in Access and Universal Service Reform, the Company is uncertain which projects will be performed or when, however, the loan is good for a five year construction period. The expected benefit to customers from the anticipated investment and expenditures is that customers will continue to receive a high level of telecommunications service.

Report 6: WAC 480-123-080(2): Through the expenditure of the expected investments and expenses reported under Report 4, the Company will be able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C. § 254 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC. The Company continues to make investments, which benefit all customers receiving the federal high-cost fund supported services from the Company and allow it to provide quality telecommunications services to its customers in its designated ETC service area.

Dated: July 22, 2012

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.  
UNIVERSAL SERVICE FUND  
2012 DATA COLLECTION FORM

Page 1/ 8

STUDY AREA: 522423

Name: INLAND TELEPHONE COMPANY - WA

CONTACT: James Brooks  
PHONE: 509-649-2211

REGION: 5 PACIFIC

COLLECTION PERIOD: 2012-1

	Description	Latest View 2011-1 Amount	Pending View 2012-1 Amount
<b>II.</b>	<b>WORKING LOOPS</b>		
60	Total Loops (Cat 1.1, 1.2, and 1.3)	2,499	2,476
70	Category 1.3 Loops (Excluding Cat 1.3 TWX Loops)	2,484	2,465
<b>III.</b>	<b>INVESTMENTS</b>		
	<b>NET PLANT INVESTMENT</b>		
160	Acct 2001 - Telephone Plant in Service	16,838,746	17,498,423
170	Acct 1220 - Materials and Supplies	293,998	356,598
190	Acct 3100 - Accumulated Depreciation	10,423,045	11,291,115
195	Acct 3400 - Accumulated Amortization	92,784	123,695
210	Acct 4340 - Net Noncurrent Deferred Operating Income Tax	529,761	655,953
220	Net Plant Investment (Sum Ln160-Ln210)	6,087,154	5,784,258
	<b>SELECTED PLANT ACCOUNTS</b>		
230	Acct 2210 - Central Office Switching Equipment	2,129,678	2,272,159
235	Acct 2220 - Operator Systems Equipment	0	0
240	Acct 2230 - Central Office Transmission Equipment	2,750,099	2,781,822
245	Total Central Office Equipment	4,879,777	5,053,981
250	Circuit Equipment Category 4.13	609,622	607,962

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Page 2/ 8

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CONTACT: James Brooks  
PHONE: 509-649-2211

REGION: 5 PACIFIC

COLLECTION PERIOD: 2012-1

	Description	Latest View 2011-1 Amount	Pending View 2012-1 Amount
255	Acct 2410 - Cable & Wire Facilities Total	8,147,993	8,302,694
260	Acct 3100 (2210) - Accumulated Depreciation Central Office Switching Equipment	894,445	1,102,202
265	Acct 3100 (2220) - Accumulated Depreciation Operator System Equipment	0	0
270	Acct 3100 (2230) - Accumulated Depreciation Central Office Transmission Equipment	1,428,277	1,697,146
275	Acct 3100 (2210-2230) - Total Accumulated Depreciation Central Office Equipment	2,322,722	2,799,348
280	Acct 3100 (2410) - Accumulated Depreciation Cable and Wire Facilities	5,727,597	6,098,814
310	Acct 4340 (2210) - Net Noncurrent Deferred Operating Income Taxes - Central Office Switching Equipment	67,481	86,824
315	Acct 4340 (2220) - Net Noncurrent Deferred Operating Income Taxes - Operator Systems Equipment	0	0
320	Acct 4340 (2230) - Net Noncurrent Deferred Operating Income Taxes - Central Office Transmission Equipment	87,377	105,940
325	Acct 4340 (2210-2230) - Net Deferred Operating Income Taxes - Central Office Equipment (Sum of 4340 (2210) through	154,858	192,764
330	Acct 4340 (2410) - Net Deferred Operating Income Taxes - Cable and Wire Facilities	254,980	314,511

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.  
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Page 3/ 8

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REGION: 5 PACIFIC

COLLECTION PERIOD: 2012-1

Description		Latest View 2011-1 Amount	Pending View 2012-1 Amount
PLANT SPECIFIC OPERATION EXPENSE			
335	Acct 6110 - Network Support Expense Total	112,531	106,575
340	Acct 6110 - Benefits Portion of Network Support Expense	45,749	14,679
345	Acct 6110 - Rents Portion of Network Support Expense	0	0
350	Acct 6120 - General Support Expense Total	494,928	439,709
355	Acct 6120 - Benefits Portion of General Support Expense	77,950	74,620
360	Acct 6120 - Rents Portion of General Support Expense	0	0
365	Acct 6210 - Central Office Switching Expense - Total	429,330	312,668
370	Acct 6210 - Benefits Portion of Central Office Switching Expense	37,925	36,559
375	Acct 6210 - Rents Portion of Central Office Switching Expense	0	0
380	Acct 6220 - Operator System Expense - Total	0	0
385	Acct 6220 - Benefits Benefits Portion of Operator System Expense	0	0
390	Acct 6220 - Rents Benefits Portion of Operator System Expense		
395	Acct 6230 - Central Office Expense - Transmission Equipment - Total	179,405	255,359
400	Acct 6230 - Benefits Portion of Central Office Expense - Transmission Equipment	26,275	23,345
405	Acct 6230 - Rents Portion of Central Office Expense - Transmission Equipment	0	0

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Page 4/ 8

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CONTACT: James Brooks  
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REGION: 5 PACIFIC

COLLECTION PERIOD: 2012-1

	Description	Latest View 2011-1 Amount	Pending View 2012-1 Amount
410	Acct 6210 - 6230 Central Office Equipment Expense Total	608,735	568,027
430	Acct 6410 - Cable & Wire Facilities Expense Total	474,390	519,022
435	Acct 6410 - Benefits Portion of Cable & Wire Facilities Expense	91,889	97,686
440	Acct 6410 - Rents Portion of Cable & Wire Facilities Expense	0	0
445	Total Plant Specific Expense	1,690,584	1,633,333
450	Acct 6530 - Network Operations Expense - Total	210,340	184,760
455	Acct 6530 - Benefits Portion of Network Operations Expense	43,770	32,649
DEPRECIATION & AMORTIZATION EXPENSES			
510	Acct 6560 (2210) - Depreciation and Amortization Expense-Central Office Switching Equipment	190,973	199,025
515	Acct 6560 (2220) - Depreciation and Amortization Expense - Operator System Equipment	0	0
520	Acct 6560 (2230) - Depreciation and Amortization Expense - Central Office Transmission Equipment	283,957	275,890
525	Acct 6560 (2210 - 2230) - Depreciation and Amortization - Central Office Equipment	474,930	474,915
530	Acct 6560 (2410) - Depreciation and Amortization Expense - Cable & Wire Facilities	353,420	368,598

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Page 5/ 8

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REGION: 5 PACIFIC

COLLECTION PERIOD: 2012-1

Description		Latest View 2011-1 Amount	Pending View 2012-1 Amount
<b>CORPORATE OPERATIONS EXPENSE</b>			
535	Acct 6710 - Executive & Planning Expense - Total	128,732	136,882
540	Acct 6710 - Benefits Portion of Executive & Planning Expense	23,621	21,088
550	Acct 6720 - General & Administrative Expense - Total	802,450	828,251
555	Acct 6720 - Benefits Portion of General Administrative Expense	154,991	140,907
565	Total Corporate Operations Expense	931,182	965,133
<b>OTHER EXPENSE</b>			
600	Benefits Portion of all Operating Expenses - Total	591,512	521,893
610	Rents Portion of all Operating Expenses - Total	0	0
<b>TAXES</b>			
650	Acct 7200 - Operating Taxes	483,128	235,058
<b>IV.</b>	<b>PART 36 - COST STUDY DATA</b>		
700	Cost Study Average Cable and Wire Facilities Acct 2410	7,947,198	8,225,345
710	Cost Study Average Cable and Wire Facilities Cat 1 - Total Exchange Line C&WF Excluding Wide Band	7,185,919	7,290,825
<b>V.</b>	<b>AMORTIZABLE TANGIBLE ASSETS (REFER TO INSTRUCTIONS PRIOR TO COMPLETING THIS SECTION)</b>		
800	Acct 2680 - Amortizable Tangible Assets	0	0

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.  
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Page 6/ 8

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Name: INLAND TELEPHONE COMPANY - WA

CONTACT: James Brooks  
PHONE: 509-649-2211

REGION: 5 PACIFIC

COLLECTION PERIOD: 2012-1

	Description	Latest View 2011-1 Amount	Pending View 2012-1 Amount
805	Acct 2680 (2230) - Amortizable Tangible Assets - Central Office Transmission Equipment	0	0
810	Acct 2680 (2230) - Amortizable Tangible Assets-Central Office Transmission Equipment Allocated to Category 4.13	0	0
815	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities	0	0
820	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities Allocated to Category 1	0	0
830	Acct 6560 (2680) Depreciation and Amortization Expense - Amortizable Tangible Assets	0	0